

# **HOMEOWNERS ASSOCIATION OF FALCON ESTATES, INC. CONSTITUTION AND BYLAWS**

APPROVED: SEPTEMBER 1979; MODIFIED: FEBRUARY 23, 1983; MODIFIED: JANUARY 13, 2000;  
Modified January 19, 2023

## **ARTICLES OF CONSTITUTION:**

### **Article I: Name:**

1. This organization shall be known as the HOMEOWNERS ASSOCIATION OF FALCON ESTATES, INC., herein referred to as HOAFE.

### **Article II: Purpose:**

1. To receive, consider, study and assist in problems that affect the common good of all home and property owners within the membership.
2. To provide limited financing for actions undertaken by the Association.
3. To provide good fellowship, understanding, cooperation, enforcement of protective covenants, and coordination throughout the membership, and when necessary cooperate with adjoining areas and departments of specific governments.

## **ARTICLE III: Membership and Organization:**

### **1. Membership:**

- a. Only those home and residential property owners in Falcon Filing 1-2-3 are eligible for membership in HOAFE. Only one membership in HOAFE per residential parcel owned by one or more persons is permitted.
- b. Membership is established by payment of \$25.00 annual dues, and membership terminates on the 31st of December of each year unless dues are paid again. An individual may terminate his/her membership in HOAFE by submitting a letter of resignation to the Board of Directors.

### **2. Organization:**

- a. The HOAFE membership shall be known and function as the legislative body.
- b. The HOAFE shall have a Board of Directors limited to nine (9) Directors who shall be elected by and from the membership and current in their HOAFE membership dues.
  - 1.) Of the nine (9) elected Directors, two (2) shall be from each of the three filings and three (3) at large
  - 2.) The chairperson of the Architectural Control Committee (ACC) may appoint one (1) of the ACC committee members to attend board meetings, if the appointee is a qualified member of HOAFE.
- c. The HOAFE Board of Directors shall elect a Chair, Vice Chair, Secretary, and Treasurer at the first meeting after the HOAFE general membership meeting in January of each year.

- d. Each director shall serve his or her term without salary or compensation for the time served.
- e. The HOAFE Board of Directors may appoint committees from the membership to serve for a given period.

#### **Article IV: Finances:**

##### **1. Dues:**

- a. Annual membership dues shall be \$30.00 for 2022, \$35.00 for 2023, \$40.00 for 2024, \$45.00 for 2025 and \$50.00 for 2026, payable on or before the thirty-first (31st) day of January of each calendar year. Voluntary membership dues for Falcon Estates HOA will then remain at \$50.00 annually, payable on or before the thirty-first (31st) day of January of each calendar year.
- b. The HOAFE Board of Directors may change the amount of dues to be paid only after an approved amendment to these By- Laws.
- c. Dues become delinquent on the 31st day of January for any home or residential property owner who is a member of HOAFE.
- d. Membership becomes valid immediately upon payment of dues.

##### **2. Management of funds:**

- a. The HOAFE Board of Directors is authorized to budget for normal required administrative purposes, to include postage, telephone, stationery, reproductions, clerical, meeting place rental fees, postal box, and legal fees. The budget and expenditures shall not exceed two thousand (\$2,000.00) dollars per year.
- b. The Board of Directors may increase the administrative budget and expenditures when necessary. However, the increase is not to exceed twenty-five percent (25%) each year.
- c. The HOAFE Board of Directors shall receive requests for financial assistance from committees appointed by the HOAFE board and the Architectural Control Committee (ACC). Members may contact the HOAFE Board of Directors directly or through special committees for projects that require financial assistance. Before any contact or commitment is made, the request will show justification, purpose, schedule, and amount. The HOAFE board shall approve or deny the request within thirty (30) days, the day after the receipt of the request being day one. If the Board does not approve or deny within 30 days, the request is automatically disapproved, but may be re-submitted and a special meeting requested.
- d. The HOAFE Board of Directors may not authorize expenditure in excess of the total cash assets.
- e. Any single expenditure exceeding sixty percent (60%) of the cash assets of HOAFE requires HOAFE Board of Directors approval as well as approval during a General Membership Meeting. One-fifth (1/5) of the membership must be present at the General Membership Meeting or represented by proxy or absentee ballot. Fifty percent (50%) plus one or more votes of members present and those proxies and absentee ballots approved by the Secretary are required for approval.

- f. The HOAFE Board of Directors may consider loans to properly authorized committees (e.g., fund raising committees, and a committee project, which would generate revenues to become self-sufficient). The committee must present its application in writing to the Board of Directors providing purpose, amount, schedule, and justification. Depending on the size of the loan, a majority vote of the Board of Directors, and, if the amount exceeds 60% of the cash assets, approval during a General Membership Meeting. One-fifth (1/5) of the membership must be present at the General Membership Meeting or represented by proxy or absentee ballot. Fifty percent (50%) plus one or more votes of members present and those proxies and absentee ballots approved by the Secretary are required for approval.
- g. The treasurer will provide a written report detailing income (sources and amounts) and payments (receivers and amounts) made since the last meeting at each meeting of the Board of Directors and the General Membership meeting.

#### **Article V: Voting:**

1. All current (dues paid) members may vote at any HOAFE General Membership Meeting or special HOAFE meeting.
2. For property owned by two or more persons, the owners are entitled to one vote on each issue at any General Membership or special HOAFE meeting.
3. Each Director on the HOAFE Board of Directors is entitled to one vote on each issue at any HOAFE Board Meeting or at any HOAFE General Membership Meeting.
4. All voting may be by secret written ballot, by standing vote, or by raising of hands. Oral votes are not authorized. A card indicating a paid up membership held by a member will be counted for a vote.
5. Only those HOAFE members who have paid their annual dues will be permitted to vote on any issue. Absentee votes must be in writing and delivered to the secretary or treasurer for validation not less than six (6) hours before the meeting is called to order. The board secretary can vote proxies or absentee ballots only. The member/voter must sign and date absentee and proxy votes.
6. HOAFE members who are unable to attend a meeting may submit a signed absentee or proxy ballot as set forth in 5 above.
7. All articles to be considered and voted upon at a General Membership Meeting must be submitted to the General Membership at least seven (7) days prior to the scheduled date of the HOAFE General Membership Meeting.

#### **Article VI: Meetings:**

1. General Membership Meeting:
  - a. A regular meeting of the HOAFE general membership will be held not less than once each six months of the calendar year. The Chair of the HOAFE Board of Directors may call special meetings of the HOAFE membership. One regular General Membership Meeting will be held in January of each year to elect the Board of Directors, who will take office at the next Board of Directors Meeting that must be held within thirty (30) days of the January General Membership Meeting.

- b. A committee formed by the HOAFE General Membership, of ten (10) or more members may request a special meeting of the HOAFE Board of Directors or a HOAFE General Membership Meeting. Homeowner committee requests must be submitted in writing to the HOAFE Board of Directors at least ten (10) days prior to the requested meeting proposed date. Such a request for a special Board of Directors Meeting is not subject to approval and must be scheduled, if possible, within ten (10) days of the request.. Such a request for a special General Membership Meeting requires approval of a majority of the Board of Directors, and if, disapproved, will be included as an agenda item in the next regular General Membership Meeting.
- c. General Membership Meetings require one-fifth (1/5) of the membership to be present or represented by proxy or absentee ballot (quorum). If this is so, then fifty percent (50%) plus one or more votes of members present and those proxies and absentee ballots approved by the Secretary are needed to pass a motion.
- d. If a quorum is not present, no votes will be taken.
- e. All HOAFE General Membership Meetings (special and regular) shall be open meetings for all HOAFE Members.

2. Board of Directors Meetings:

- a. There will be a minimum of four (4) Board of Directors Meetings each year. The Chair shall call special meetings of the Board at any time suitable to the HOAFE Board of Directors.
- b. All HOAFE Board of Directors Meetings (special and regular) shall be open meetings for all HOAFE members.
- c. The Chair/Vice-Chair in conjunction with the Secretary of the Board of Directors shall prepare an agenda for each board meeting, noting the location and time of the meeting. The agenda will be delivered to each board member in sufficient time for the members to attend the Board of Directors Meeting. Minutes of the Board Meeting will be prepared by the Secretary, or the Chair-appointed recorder and approved at the next meeting for inclusion in the HOAFE records maintained by the Secretary. A written Treasurer's Report is to be presented at each meeting and approved for inclusion in the HOAFE records maintained by the Secretary.
- d. Directors meetings require five (5) or more of the nine Directors be present; then a simple majority is needed to pass a motion.
- e. If a quorum is not present, no votes will be taken, items may be discussed, a new date and time established for another Board Meeting, and the meeting will be adjourned.

**Article VII: Protective Covenants:**

- 1. The Association will support and enforce the provisions of the protective covenants through the proper Architectural Control Committee (ACC), provided the Board of Directors agrees with the corrective action proposed by the ACC, and provided the alleged violations of the protective covenants can be corrected.

2. An ACC desiring the Association's assistance will apply to the Board of Directors, defining the offense and corrective action needed.
3. At least three (3) members of the board will meet with the ACC and the offender to hear the problem from both sides.
4. When deemed advisable to support the protective covenants, and to protect other members from such violations, the board may authorize financial and other assistance to the ACC.

**Article VIII: Liability:**

1. A member of the Board of Directors shall not be personally liable to HOAFE or its members for monetary damages for breach of fiduciary duty as a Director providing that there is no breach of the member's duty of loyalty to HOAFE or its members; no acts or omissions not in good faith; no intentional misconduct or a known violation of law; no acts relating to loans from HOAFE to a director or officer prohibited by Section 7-24-111 of the Colorado Revised Statutes; and no transaction from which the member derived an improper personal benefit. All persons or corporations extending credit to, contracting with, or having clause against HOAFE shall look only to the funds and property of HOAFE for payment of such contract or claim or for the payment of any debt, damage, judgment or decree, or any other money that may otherwise become due or payable to them from HOAFE, so that the members of HOAFE, the Board of Directors, including the officers of HOAFE, present and future, shall not be personally liable thereof.

**Article IX: Amendments:**

1. Any article of this constitution, bylaws or portion thereof, may be amended at any HOAFE General Membership Meeting if a quorum is present. Proposed amendments to the constitution or by-laws shall be presented to the members by the HOAFE Board of Directors chairperson in writing, seven (7) or more days before the scheduled HOAFE General Meeting to permit study of the proposed changes.

**Article X: Bylaws:**

1. The bylaws of this constitution will not conflict, modify, or change the articles of the constitution. They will define elements of the articles, and shall be additions, specifications, and guidelines to this constitution. Approved bylaws shall be as binding as the articles of the constitution, and will be amended, changed, modified, and deleted as are the articles of the Constitution. The bylaws are the rules and regulations of the HOAFE association and the HOAFE Board of Directors.

**I Board of Directors:**

1. The homeowners of Falcon Estates general membership will elect the Board of Directors at the General Meeting held in January of each year. Within 30 days following the election of the Board of Directors at the General Membership Meeting, the Board of Directors will meet and elect a Chair, Vice-Chair, Secretary, and Treasurer.
2. General duties of the Board of Directors:
  - a. Account for all funds received and expended.

- b. Receive and act upon problems and matters presented by any HOAFE member or ACC
- c. Record and file minutes of all meetings, and reports presented at all meetings.
- d. Preside at all meetings.
- e. Appoint committees as needed.
- f. Reports: Present minutes, treasurer's reports, committee actions or recommendations and any board actions to the membership at each meeting.

3. The functions of the elected officers are as follow:

- a. Chair:
  - (1) Preside over all Board and General Membership meetings.
  - (2) In conjunction with the secretary, develop agendas for all Board and General Membership meetings.
  - (3) Convene, at a minimum, two (2) General Membership Meetings each year and four (4) Board of Director Meetings each year.
  - (4) Convene special Board and General Membership meetings as necessary.
- b. Vice-Chair:
  - (1) Assume duties of Chair in his/her absence.
- c. Secretary:
  - (1) Record, publish and maintain a file of meeting notes from General and Board meetings.
  - (2) In conjunction with the Chair, develop agendas for General and Board meetings.
  - (3) In conjunction with the Treasurer, maintain a current listing of membership (current mailing address, etc.).
  - (4) In conjunction with the Treasurer, verify membership for voting purposes at General Membership Meetings.
- d. Treasurer:
  - (1) Collect annual dues.
  - (2) Maintain records of all financial transactions (i.e., bank accounts, investments, receipts, outstanding bills, etc.).
  - (3) Pay outstanding bills.
  - (4) Report funds status at General and Board meetings.
  - (5) Prepare and submit Annual Financial Report and Budget.
  - (6) In conjunction with the Secretary, maintain a current listing of membership (paid dues, delinquent dues, etc.).
  - (7) In conjunction with the Secretary, verify membership for voting purposes at General Membership Meetings.

4. General Guidelines

- a. Term: Each director shall be elected for two (2) years.

- b. Election year: One Director shall be elected from each filing on even numbered years, and the other Director on odd-numbered years. The Directors at large shall be elected on the even-numbered year.
- c. Vacancy: In the event of a vacancy caused for any reason, within thirty (30) days, the remaining members of the Board of Directors will elect from the membership a replacement to serve until the next regular election.
- d. Nominations: The vacancy and length of term will be specified for each nomination.
- e. Recall: Directors may be recalled by petition, signed by thirty percent (30%) or more of the voting members. Petition will clearly show the name(s) of the recalled director(s) and state clearly the causes. The remaining Directors will appoint a committee from the membership of not less than five (5) or more than seven (7) and whose names do not appear on the petition, who shall, within ten (10) days, verify the signatures, hear the evidence from both sides in the presence of the recalled director(s), and recommend to the board approval or disapproval. If approved, the board will hold a special election (see Paragraph c above) within twenty (20) days of the receipt of the committee's recommendation.
- f. Qualifications: Any member in good standing, of the three (3) filings.

## **II Committees:**

1. The Board of Directors may appoint a Committee when needed, or nominated and elected by the membership at any regular meeting.
2. The appointing authority will provide each committee chairman a written document showing the purpose of the committee and any guidelines deemed necessary plus term of the committee.
3. No member will serve more than twelve (12) months on any committee.
4. Committees will submit reports, suggestions, and recommendations in writing to the Board of Directors.
5. The appointed authority will determine committee chairpersons.

## **III Meetings: General Membership:**

1. All General Membership meetings will be open meetings.
2. Notification: To be made to all members by mail and/or any other alerting or distribution systems, and not later than seven (7) days prior to the selected date, giving time and place.
3. Agenda: The directors shall prepare an agenda and submit it with notification.
4. Quorum: General Meetings of the membership require 1/5 of the membership to be present or represented by approved proxy or absentee ballot. Fifty percent (50%) plus one of eligible voters present, absentee ballots, and proxies, approved by the secretary, is required to pass a motion.
5. If it occurs that a quorum is not present at the General Membership Meeting, the meeting will be adjourned (no votes will be taken, but items may be discussed and information exchanged) and a new place and time for another meeting of the General Membership will be established.

Addendums:

**January 19, 2023**

Remove the lines:

Article IV: Finances:

a. Annual dues shall be \$25.00, payable on or before the thirty-first (31st) day of January of each calendar year.

Add the following line:

Article IV: Finances:

a. Annual membership dues shall be \$30.00 for 2022, \$35.00 for 2023, \$40.00 for 2024, \$45.00 for 2025 and \$50.00 for 2026, payable on or before the thirty-first (31st) day of January of each calendar year. Voluntary membership dues for Falcon Estates HOA will then remain at \$50.00 annually.

This change has been approved by the 2022 General Meeting January 2022